| (Original Signature of Men   | ıber)             |
|--|-------------------|
| 116TH CONGRESS 1ST SESSION  H. R.  |                   |
| To impose sanctions under the Global Magnitsky Human Rights ability Act to combat the suppression of the freedoms of speech tion, assembly, procession, and demonstration of the people Kong, and for other purposes.  | associa           |
|  |                   |
| IN THE HOUSE OF REPRESENTATIVES  |                   |
| Mr. Gallagher introduced the following bill; which was referred Committee on   | to the            |
|  |                   |
| A BILL   |                   |
| To impose sanctions under the Global Magnitsky Rights Accountability Act to combat the suppress the freedoms of speech, association, assembly, produced and demonstration of the people of Hong Konfor other purposes. | sion of<br>ession |
| 1 Be it enacted by the Senate and House of Repr  | esenta            |
| 2 tives of the United States of America in Congress ass  | embled            |

This Act may be cited as the "Hong Kong Be Water

4

5 Act".

3 SECTION 1. SHORT TITLE.

## 1 SEC. 2. DEFINITIONS.

| 2  | In this Act:                                     |
|----|--|
| 3  | (1) Appropriate congressional commit-            |
| 4  | TEES.—The term "appropriate congressional com-   |
| 5  | mittees" means—                                  |
| 6  | (A) the Committee on Foreign Relations,          |
| 7  | the Committee on Armed Services, the Select      |
| 8  | Committee on Intelligence, the Committee on      |
| 9  | Banking, Housing, and Urban Affairs, the         |
| 10 | Committee on the Judiciary, and the Com-         |
| 11 | mittee on Appropriations of the Senate; and      |
| 12 | (B) the Committee on Foreign Affairs, the        |
| 13 | Committee on Armed Services, the Permanent       |
| 14 | Select Committee on Intelligence, the Com-       |
| 15 | mittee on Financial Services, the Committee on   |
| 16 | the Judiciary, and the Committee on Appro-       |
| 17 | priations of the House of Representatives.       |
| 18 | (2) Basic Law.—The term "Basic Law" means        |
| 19 | the Basic Law of Hong Kong.                      |
| 20 | (3) Foreign person.—The term "foreign per-       |
| 21 | son" means an individual or entity that is not a |
| 22 | United States person.                            |
| 23 | (4) Hong Kong.—The term "Hong Kong"              |
| 24 | means the Hong Kong Special Administrative Re-   |
| 25 | gion of the People's Republic of China.          |

| 1  | (5) JOINT DECLARATION.—The term "Joint               |
|----|--|
| 2  | Declaration" means the Joint Declaration of the      |
| 3  | Government of the United Kingdom of Great Britain    |
| 4  | and Northern Ireland and the Government of the       |
| 5  | People's Republic of China on the Question of Hong   |
| 6  | Kong, done at Beijing December 19, 1984.             |
| 7  | (6) Knowingly.—The term "knowingly", with            |
| 8  | respect to conduct, a circumstance, or a result,     |
| 9  | means that a person has actual knowledge, or should  |
| 10 | have known, of the conduct, the circumstance, or the |
| 11 | result.  |
| 12 | (7) National.—The term "national" has the            |
| 13 | meaning given that term in section 101(a) of the     |
| 14 | Immigration and Nationality Act (8 U.S.C.            |
| 15 | 1101(a)).  |
| 16 | (8) United states person.—The term                   |
| 17 | "United States person" means—                        |
| 18 | (A) a United States citizen or an alien law-         |
| 19 | fully admitted for permanent residence to the        |
| 20 | United States; or                                    |
| 21 | (B) an entity organized under the laws of            |
| 22 | the United States or of any jurisdiction within      |
| 23 | the United States, including a foreign branch of     |
| 24 | such an entity.                                      |

## 1 SEC. 3. FINDINGS.

| 1  | SEC. 6. FINDINGS.                                       |
|----|---|
| 2  | Congress makes the following findings:                  |
| 3  | (1) In February 2019, the Government of Hong            |
| 4  | Kong proposed the "Fugitive Offenders and Mutual        |
| 5  | Legal Assistance in Criminal Matters Legislation        |
| 6  | (Amendment) Bill 2019" (in this section referred to     |
| 7  | as the "extradition bill").                             |
| 8  | (2) The extradition bill would have allowed for         |
| 9  | the extradition of individuals from Hong Kong to        |
| 10 | the mainland of the People's Republic of China for      |
| 11 | the first time and offered minimal if any legal re-     |
| 12 | course to those individuals identified for extradition. |
| 13 | (3) The extradition bill was but the latest ex-         |
| 14 | ample of the steady encroachment of the Govern-         |
| 15 | ment of the People's Republic of China on the free-     |
| 16 | doms guaranteed to the people of Hong Kong under        |
| 17 | the Joint Declaration and the Basic Law.                |
| 18 | (4) Millions of the people of Hong Kong have            |
| 19 | taken to the streets in peaceful protests since the in- |
| 20 | troduction of the extradition bill in order to defend   |
| 21 | Hong Kong's democracy against predations by the         |
| 22 | Government of the People's Republic of China, as        |
| 23 | enabled by Government of Hong Kong.                     |
| 24 | (5) The Government of Hong Kong has re-                 |
| 25 | sponded to those peaceful protests with force and       |
| 26 | brutality, including by authorizing the use by the po-  |

| 1  | lice of tear gas, water cannons, rubber bullets, and   |
|----|--|
| 2  | beatings, resulting in the arrests and injuries of     |
| 3  | thousands of people.                                   |
| 4  | (6) On October 1, 2019, the Hong Kong police           |
| 5  | fired live ammunition at a teenage protestor, mark-    |
| 6  | ing a dangerous escalation in the Hong Kong police     |
| 7  | force's use of force against protestors.               |
| 8  | (7) The Government of Hong Kong has invoked            |
| 9  | the Emergency Regulations Ordinance in order to        |
| 10 | expand the powers available to Hong Kong's police      |
| 11 | as they suppress protesters.                           |
| 12 | (8) The Government of Hong Kong has coopted            |
| 13 | or coerced local companies like MTR Corporation        |
| 14 | Limited and Cathay Pacific Airways Limited into fa-    |
| 15 | cilitating the suppression of protests by denying      |
| 16 | protestors' access to reliable train services and ter- |
| 17 | minating staff who support the pro-democracy move-     |
| 18 | ment.  |
| 19 | (9) The Government of Hong Kong continues              |
| 20 | to defy peaceful protestors' rightful demands for the  |
| 21 | resignation of Chief Executive of Hong Kong Carrie     |
| 22 | Lam, an impartial inquiry into police brutality, and   |
| 23 | greater democratic freedoms, as guaranteed to the      |
| 24 | people of Hong Kong by the Government of the Peo-      |
| 25 | ple's Republic of China.                               |

| 1  | (10) The unwillingness of the Government of          |
|----|--|
| 2  | Hong Kong to meet protestors' demands is a direct    |
| 3  | product of its role, not as a representative or pro- |
| 4  | tector of the people of Hong Kong, but rather as a   |
| 5  | proxy for the regime of the Communist Party of       |
| 6  | China in Beijing, which has demonstrated its intent  |
| 7  | to impose its will on Hong Kong, including through   |
| 8  | paramilitary or military force.                      |
| 9  | (11) The approach of that regime to Hong             |
| 10 | Kong is not fundamentally dissimilar from the ap-    |
| 11 | proach the regime has taken elsewhere in the Indo-   |
| 12 | Pacific region and beyond, including by using eco-   |
| 13 | nomic threats to compel Air Canada, Air France,      |
| 14 | Apple, Audi, Blizzard Entertainment, British Air-    |
| 15 | ways, Calvin Klein, Christian Dior, Coach, Dolce &   |
| 16 | Gabbana, Google, Malaysia Airlines, Marriott Ho-     |
| 17 | tels, the National Basketball Association, Qantas    |
| 18 | Airlines, Swarovski, Tiffany & Co., and Versace into |
| 19 | remaining silent in response to its treatment of     |
| 20 | protestors in Hong Kong.                             |
| 21 | SEC. 4. SENSE OF CONGRESS.                           |
| 22 | It is the sense of Congress that—                    |
| 23 | (1) the Government of the People's Republic of       |
| 24 | China has willfully violated the terms of the Joint  |
| 25 | Declaration and the Basic Law:                       |

| 1  | (2) the steady encroachment of the Government               |
|----|---|
| 2  | of the People's Republic of China on the freedoms           |
| 3  | and democracy of the people of Hong Kong reflects           |
| 4  | the fundamentally totalitarian nature of the regime         |
| 5  | of the Communist Party of China; and                        |
| 6  | (3) the totalitarian ambitions of the Communist             |
| 7  | Party of China do not end in the territory of the           |
| 8  | mainland of the People's Republic of China, but             |
| 9  | rather extend to the remainder of the Indo-Pacific          |
| 10 | region, as part of a broader hegemonic vision that          |
| 11 | would see the Government of the People's Republic           |
| 12 | of China exert domineering influence over other the         |
| 13 | interests and behavior of other countries in that re-       |
| 14 | gion.   |
| 15 | SEC. 5. GLOBAL MAGNITSKY SANCTIONS WITH RESPECT TO          |
| 16 | CERTAIN GOVERNMENT OFFICIALS THAT EN-                       |
| 17 | GAGE IN SUPPRESSION OF FREEDOMS OF                          |
| 18 | SPEECH, ASSOCIATION, ASSEMBLY, PROCES-                      |
| 19 | SION, AND DEMONSTRATION OF THE PEOPLE                       |
| 20 | OF HONG KONG.   |
| 21 | (a) In General.—Not later than 90 days after the            |
| 22 | date of the enactment of this Act, and as appropriate       |
| 23 | thereafter, the President shall impose the sanctions de-    |
| 24 | scribed in subsection (c) with respect to each foreign per- |
| 25 | son described in subsection (b) if the President has cred-  |

- 1 ible information that the foreign person has knowingly
- 2 suppressed or facilitated the suppression of the freedoms
- 3 of speech, association, assembly, procession, or demonstra-
- 4 tion of the people of Hong Kong, as guaranteed under Ar-
- 5 ticle 27 of the Basic Law.
- 6 (b) Foreign Persons Described.—A foreign per-
- 7 son described in this subsection is a foreign person who
- 8 is—
- 9 (1) a current or former official of the Govern-
- ment of Hong Kong;
- 11 (2) a current or former official of the Govern-
- ment of the People's Republic of China; or
- 13 (3) acting on behalf of, or in cooperation with,
- an official of either such Government.
- 15 (c) Sanctions Described.—The sanctions de-
- 16 scribed in this subsection are the sanctions described in
- 17 section 1263(b) of the Global Magnitsky Human Rights
- 18 Accountability Act (subtitle F of title XII of Public Law
- 19 114–328; 22 U.S.C. 2656 note).
- 20 (d) Report on Implementation.—Not later than
- 21 15 days after imposing sanctions under subsection (a), the
- 22 President shall submit to the appropriate congressional
- 23 committees a report regarding measures taken to imple-
- 24 ment this section.

| 1  | (e) Termination.—This section shall terminate on             |
|----|--|
| 2  | the date on which the President determines and certifies     |
| 3  | to the appropriate congressional committees that the Gov-    |
| 4  | ernment of Hong Kong is no longer suppressing, or            |
| 5  | complicit in the suppression of, the freedoms of speech,     |
| 6  | association, assembly, procession, and demonstration of      |
| 7  | the people of Hong Kong.                                     |
| 8  | SEC. 6. FREEZING OF ASSETS OF CHINESE NATIONALS AND          |
| 9  | STATE-OWNED ENTERPRISES UNDERMINING                          |
| 10 | THE AUTONOMY, BASIC LIBERTIES, AND                           |
| 11 | HUMAN RIGHTS OF THE PEOPLE OF HONG                           |
| 12 | KONG.  |
| 13 | (a) In General.—Not later than 90 days after the             |
| 14 | date of the enactment of this Act, and as appropriate        |
| 15 | thereafter, the President shall exercise all powers granted  |
| 16 | by the International Emergency Economic Powers Act (50       |
| 17 | U.S.C. 1701 et seq.) to the extent necessary to block or     |
| 18 | prohibit all transactions in property and interests in prop- |
| 19 | erty of each foreign person described in subsection (b) that |
| 20 | the President determines has attempted to undermine the      |
| 21 | autonomy, basic liberties, and human rights of the people    |
| 22 | of Hong Kong, if such property and interests in property     |
| 23 | are in the United States, come within the United States,     |
| 24 | or are or come within the possession or control of a United  |
| 25 | States person.   |

| 1  | (b) Foreign Persons Described.—A foreign per-               |
|----|---|
| 2  | son described in this subsection is—                        |
| 3  | (1) a national of the People's Republic of                  |
| 4  | China;  |
| 5  | (2) an entity owned or controlled by the Gov-               |
| 6  | ernment of the People's Republic of China; or               |
| 7  | (3) an individual who is a member of the board              |
| 8  | of directors, an executive officer, or a senior official    |
| 9  | of an entity described in paragraph (2).                    |
| 10 | (c) Inapplicability of National Emergency Re-               |
| 11 | QUIREMENT.—The requirements of section 202 of the           |
| 12 | International Emergency Economic Powers Act (50             |
| 13 | U.S.C. 1701) shall not apply for purposes of this section.  |
| 14 | SEC. 7. EXCEPTIONS; WAIVERS.                                |
| 15 | (a) Exception for Humanitarian Assistance.—                 |
| 16 | The requirement to impose sanctions under sections 5 and    |
| 17 | 6 shall not apply with respect to activities to provide hu- |
| 18 | manitarian assistance to the people of Hong Kong.           |
| 19 | (b) Exception for Intelligence Activities.—                 |
| 20 | The requirement to impose sanctions under sections 5 and    |
| 21 | 6 shall not apply with respect to activities subject to the |
| 22 | reporting requirements under title V of the National Secu-  |
| 23 | rity Act of 1947 (50 U.S.C. 3091 et seq.), or any author-   |
| 24 | ized intelligence activities of the United States.          |

| I  | (c) EXCEPTION RELATING TO IMPORTATION OF                  |
|----|---|
| 2  | Goods.—   |
| 3  | (1) In general.—The authorities and require-              |
| 4  | ments to impose sanctions authorized under this Act       |
| 5  | shall not include the authority or requirement to im-     |
| 6  | pose sanctions on the importation of goods.               |
| 7  | (2) GOOD DEFINED.—In this subsection, the                 |
| 8  | term "good" means any article, natural or manmade         |
| 9  | substance, material, supply or manufactured prod-         |
| 10 | uct, including inspection and test equipment, and ex-     |
| 11 | cluding technical data.                                   |
| 12 | (d) Waiver.—The President may waive the imposi-           |
| 13 | tion of sanctions under section 5 or 6 with respect to a  |
| 14 | foreign person if the President determines and reports to |
| 15 | the appropriate congressional committees that the waiver  |
| 16 | is—   |
| 17 | (1) in the national security interests of the             |
| 18 | United States; or   |
| 19 | (2) necessary to prevent undue economic harm              |
| 20 | to the people of Hong Kong.                               |
| 21 | SEC. 8. IMPLEMENTATION; REGULATIONS; PENALTIES.           |
| 22 | (a) Implementation.—The President may exercise            |
| 23 | all authorities provided to the President under sections  |
| 24 | 203 and 205 of the International Emergency Economic       |

- 1 Powers Act (50 U.S.C. 1702 and 1704) to carry out this
- 2 Act.
- 3 (b) REGULATORY AUTHORITY.—The President shall
- 4 issue such regulations, licenses, and orders as are nec-
- 5 essary to carry out this section.
- 6 (c) Penalties.—A person that violates, attempts to
- 7 violate, conspires to violate, or causes a violation of section
- 8 5 or 6 or any regulation, license, or order issued to carry
- 9 out either such section shall be subject to the penalties
- 10 set forth in subsections (b) and (c) of section 206 of the
- 11 International Emergency Economic Powers Act (50
- 12 U.S.C. 1705) to the same extent as a person that commits
- 13 an unlawful act described in subsection (a) of that section.